BEFORE THE PUBLIC UTILITIES COMMISSION

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OF THE STATE OF HAWAII

2003 OCT 17 A 9: 17

In the Matter of the Application of)

MAUI ELECTRIC COMPANY, LIMITED

For Approval of a Fuel Supply Contract with Maui Oil Company, Inc. and to Include Contract Costs) In Maui Electric Company, Limited's) Energy Cost Adjustment Clause.

DIV. OF CONSUMER ADVOGACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAYI
DOCKET NO. 02-0365

ORDER NO. 20575

Filed Oct. 14 At 10:00 o'clock A

Chief Clerk of the

ATTEST: A True Copy KAREN HIGASHI

Chief Clerk, Public Utilities

Compission, State of Hayaii.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

MAUI ELECTRIC COMPANY, LIMITED

For Approval of a Fuel Supply)
Contract with Maui Oil Company,)
Inc. and to Include Contract Costs)
In Maui Electric Company, Limited's)
Energy Cost Adjustment Clause.)

Docket No. 02-0365 Order No. 20575

ORDER

I.

On October 4. 2002, MAUI ELECTRIC COMPANY, requested commission approval of its diesel fuel contract with Maui Oil Company, Inc. ("Maui Oil diesel fuel contract") and to include the fuel costs incurred under the contract. and related revenue taxes, in its Energy Adjustment Clause ("ECAC") to the extent not recovered in base The Maui Oil diesel fuel contract was entered into by MECO to obtain fuel for the two standby diesel generators which were approved for installation at MECO's Hana Substation, Decision and Order No. 17957, filed August 8, 2000 in Docket No. 00-0369. MECO filed its application, pursuant Hawaii Administrative Rules ("HAR") § 6-60-6(2).

MECO served copies of its application on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate").

On October 17, 2002, the Consumer Advocate filed its Preliminary Statement of Position indicating that MECO did not provide sufficient information to support the requested approval and that it would participate in this proceeding and issue information requests. On October 17, 2002, the Consumer Advocate served MECO with its First Submission of Information Requests. On November 4, 2002, MECO filed its responses to the Consumer Advocate's First Submission of Information Requests.

On March 6, 2003, the Consumer Advocate filed its Statement of Position indicating that it does not object to the commission approving the Maui Oil diesel fuel contract, however it does object to the inclusion of such costs in MECO's ECAC. On May 27, 2003, MECO filed a letter requesting an evidentiary hearing on the matter.¹

On August 8, 2003, the commission issued Order No. 20373, ordering the parties to file a Stipulated Prehearing Order by September 5, 2003. On September 5, 2003, MECO, on behalf of itself and the Consumer Advocate, filed a letter requesting an extension of time to September 19, 2003 to submit a Stipulated Prehearing Order for this proceeding. On September 12, 2003, the commission issued Order No. 20431 approving the parties' request for an extension of time, to September 19, 2003, to file a Stipulated Prehearing Order.

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^{&#}x27;MECO indicated that it was wiling to waive its right to a hearing if it is allowed to argue the matter orally before the commission.

²If the parties were unable to stipulate to such an order, each party was to submit its own proposed prehearing order for the commission's consideration.

On September 19, 2003, MECO, on behalf of itself and the Consumer Advocate, filed a letter requesting a second extension of time until September 25, 2003 to submit a Stipulated Prehearing Order for this proceeding. On September 25, 2003, the parties submitted a joint letter, agreeing to withdraw MECO's application in the instant docket to allow them to focus on other pending and future matters before the commission.

The commission finds good cause to approve the parties' second extension of time, to allow MECO to withdraw its application, and to close this docket.

II.

THE COMMISSION ORDERS:

- 1. The parties' request for a second extension of time until September 25, 2003 to submit a Stipulated Prehearing Order is approved.
- 2. MECO's request to withdraw its application, without prejudice, is approved.
 - 3. This docket is closed.

02-0365

DONE at Honolulu, Hawaii this 14th day of October, 2003.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By Carlo F. Callin

Carlito P. Caliboso, Chairman

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Wayne H. Kimura, Commissioner

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Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Kevin M. Katsura Commission Counsel

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20575 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

EDWARD L. REINHARDT
PRESIDENT
MAUI ELECTRIC COMPANY, LIMITED
P.O. Box 398
Kahului, HI 96733-6898

WILLIAM A. BONNET VICE PRESIDENT GOVERNMENT AND COMMUNITY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P.O. Box 2750 Honolulu, HI 96840-0001

THOMAS W. WILLIAMS, JR., ESQ PETER Y. KIKUTA, ESQ. Goodsill Anderson Quinn & Stifel Alii Place, Suite 1800 1099 Alakea Street Honolulu, HI 96813

Taren Higgshi

DATED: October 14, 2003